



Wyoming Lender Alert

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May 2005

Steven Despain, District Director

Making a Difference for Small Business in Wyoming

Star Video Library



Kon Ho In immigrated from Mun San, Korea to the United States in 1979. Although he could read and write some English when he arrived, he still had some large obstacles to overcome. He was not fluent in English, and did not understand American culture and customs. Mr. In wanted to start a business in Sheridan, but didn't have the money to do it.

In 1983, Kon Ho In started his first store, **Star Video Library**, in a rented garage, \$2000 from savings, 10 VCR players, and 100 VHS movies. Along with himself he employed his wife, Sun Ok, and four part-time employees. In the beginning, Mr. In would work in his new business and then go to work as a school janitor. He needed funds to expand his business, but had limited cash flow and working capital. He could not get a regular bank loan, and needed an SBA guarantee. Because of the help provided by SBA, Kon Ho In was able to

overcome his financial barrier and purchase a much needed building.

Now Kon Ho In is the owner of four businesses. **Star Video Library** and **Best Star** are located in Sheridan, and **Star Video Audio** and **Best** are located in



Gillette, Wyoming. **Star Video Library** is a full service home electronics, movie/video-game rental, and liquor store. **Star Video Audio** is a full service home electronics store. **Star Computer Depot** sells and repairs commercial and home computer equipment. Currently, he has a total of 17 employees in all his businesses. **Best** is a Real Estate holding company for a 48,500 square foot strip mall and will employ six more people in the Sheridan area.

Kon Ho In has shown us that hard work, honesty, and a helping hand from SBA can help anyone realize the dream of owning and operating a successful small business.

Tips For Business Success! *Great People*

Great people to work with inside and outside the company are a tremendous attribute. If you take the people away from the company, you have only a name and buildings – neither of which can run a company. People run the company either well or poorly.

In his book, "From Good to Great", Jim Collins stresses the critical need to have the right people in the right place doing the right work at the right time. Without this in place, your company cannot rise above mediocrity.

Always try to hire people who are brighter and more capable than you are because only that caliber of person can grow the company in the best possible way. Don't be concerned that they will take your job because you will be recognized for bringing in the right people to propel the company forward.

It is equally important that the people you deal with outside the company are the best you can find.

You have choices between competitors in your suppliers, banks, accounting firms, etc.

You have choices between products and services with these

organizations, but the people you deal with in these firms are equally important.

SBA Loan Application – CODING --

To our lenders and technical assistance providers, data relating to new/existing business, and women, minority, and veteran status of the applicant is information tracked closely by SBA. We need to know whether or not a business is **NEW** or **EXISTING**. Any business that has been established from new to two years is considered **NEW**. Any business in existence greater than two years is considered **EXISTING**. One more thing helps us is when you ensure you fill in the **Minority Code**, **Woman Code** (mark “yes” if at least 51% woman ownership), and **Veteran Code**. Please make every effort to properly code all loans. If you have questions regarding this, please contact our office at 307-261-6500.

SBA Ready Talk International Trade Training

Lenders and Resource Partners:

Please mark your calendars now to participate in our upcoming, free training scheduled for Friday, May 20th, 10:30-11:30 a.m. **And, you won't have to leave your office (unless you want to)!** [More details are below.]

Learn how you can get up to an **85% guaranty** on an **SBA Express** loan. Dennis Chrisbaum, SBA's international trade program manager, will explain how and why to make loans to small business exporters which often can qualify for a higher SBA guaranty—including up to an **85% guaranty** on the Export Express program and a **90% guaranty** on the Export Working Capital program.

In addition, he will highlight business sectors that already are successfully exporting from

Colorado and Wyoming (perhaps they include some of your clients—remember Canada and Mexico count!), and he will explain reasons why exporters are the type of customers that you will want to have in your loan portfolios.

Also, several program changes that went into effect this fiscal year will be covered, including a new \$2 million limit under the Export Working Capital program, which now has a co-guaranty with the Export-Import Bank, and a new maximum \$1.75 million guaranty under the International Trade Loan, which is a 7(a), term loan program that now allows for **refinancing**.

This training will also be offered in the 4th floor conference room in the Colorado District Office, 19th and Stout Street, prior to the quarterly CAGGL meeting. So, it should be relatively easy to schedule for those of you planning to attend the quarterly meeting.

However, **in order for everyone to access this training (without leaving your office)**, including lenders in Wyoming, it will be broadcast live on ReadyTalk. All you will need to is:

1. call this toll free number: **1-866-740-1260**;
2. enter this access code: **3081101**;
3. log on to www.readytalk.com;
4. enter the same access code listed above under #2 to see the PowerPoint presentation.

You will be able to ask questions over the phone.

Please join us! With a trade deficit that exceeded \$600 billion last year, our nation needs more exporters. Please plan to attend or log on to learn what you can do to support, and develop, more small business exporters in your

communities—and, at reduced risks to your bank.

Contact: Steve Parker 307-261-6506) or e-mail him directly at:

Stephen.parker@sba.gov
to arrange a training session.

How to Choose the Right Location for Your Business

As in real estate, the well-worn, but nevertheless accurate maxim, “location, location, location” holds very true for your business as well. While you might be able to survive a bad employee, surviving a bad location is very difficult. So pick smart, but remember this too: not all businesses need to pick a dynamite location. For example, janitorial services, direct mail companies, or lawn care services really don't need to worry about their location since drop-in business is not their business model. A restaurant, however, needs a good location.

If you have a retail establishment, consider the following when choosing a location:

Traffic – Ideally, you would like the site to be near some centers of activity, for instance, to be across the street from malls. You might figure that you got the benefit of the mall's advertising and traffic, but without the high rent of actually being in the mall.

Competition – Where is your competition located now? Fast-food restaurants often like being bunched together, but print shops usually like to be the only one in the neighborhood.

Visibility – Make sure your potential location is visible from major roads.

Signage – You need to be sure that there are no restrictions in the lease or the law that will limit your ability to post adequate signs for your new business.

Zoning – The spot must be zoned for your type of business.

Amenities – Is there adequate parking? Is there a bathroom for the public?

Appearance – Make sure that the place is landscaped well, has adequate outdoor lighting, and has appropriate businesses nearby. Many locations may have all of these questions already answered, shopping centers for example. While a shopping center or mall can be a great spot for many franchises, you might weigh the benefits against the aforementioned high cost of doing business in that location. Especially as you start your new business, you want to be conservative with your finite start-up capital. I am not saying don't

go to a mall, but rather, if you do, be sure that you will be able to make a profit.

UPCOMING EVENTS

May 2 - National WNET Call
 May 2 - VET Employment Seminar, Gillette
 May 3 - Women's Roundtable, Jackson
 May 4 – Women's Roundtable, Casper
 May 5 – Faith-Based Conference, Casper
 May 12 – Women's Roundtable, Laramie
 May 17 – Women's Roundtable, Cody

May 18 – Gov. Contracting Seminars, Douglas 7:00am - 11:00pm

May 18 – Gov Contracting Seminar, Casper 2:00pm – 4:00 pm;

May 19 – Women's Roundtable, Powell

May 20 – Ready Talk, 10:30am – 11:30am;

May 31 – WNET call

SBA's CUSTOMIZED SITE FOR WYOMING

www.sba.gov/wy

2005 Wyoming Small Business Week Award Winners Congratulations!

Wyoming Small Business Person of the Year	Kon Ho In, Star Video	Sheridan
Financial Services Champion of the Year	Steve Elledge	Casper
Home-Based Business Champion of the Year	YinSITE Project	Laramie
Minority Small Business Champion of the Year	Marion Cotterman	Cheyenne
SBA Young Entrepreneur of the Year	Chris Chopping, Site4Sure.com	Casper
Small Business Journalist of the Year	James Kearns	Laramie
Veteran Small Business Champion of the Year	Tom Lockhart	Casper
Women in Business Champion of the Year	Cynthia Lummis	Cheyenne
SBA Family-Owned Small Business of the Year	Wheatland Fire Equipment	Wheatland